

**GOVERNMENT OF INDIA  
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION  
LOK SABHA**

UNSTARRED QUESTION NO:743

ANSWERED ON:24.11.2009

IRREGULARITIES IN FOOD SUBSIDY

Devappa Anna Shri Shetti Raju Alias;Kishor Shri Kamal ;Sethi Shri Arjun Charan

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) whether the food subsidy bill is likely to decline during the current year;

(b) if so, the quantum of subsidy provided during each of the last three years and the current year alongwith the head under which the said subsidy was provided, State-wise;

(c) whether the Government has received any complaints with regard to irregularities in food subsidy given under the Public Distribution System to the families living below the poverty line in the country especially Uttar Pradesh; and

(d) if so, the details thereof and the steps being taken by the Government for the solution of this problem?

**Answer**

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF THE STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (PROF.K.V. THOMAS)

(a): No, Madam.

(b): Food Subsidy equal to the difference between economic cost of foodgrains and central issue price is released to the Food Corporation of India (FCI) and to State Government/Agencies for the foodgrains distributed under Targeted Public Distribution System (TPDS) and Other Welfare Schemes (OWS).The food subsidy under TPDS and OWS during the last three years from 2006-07 to 2008-09 is as under:-

Subsidy released (Rs. in crore)

SCHEME    2006-07    2007-08    2008-09

Total Subsidy    23827.59    31259.68    43668.08

Scheme-wise Subsidy

BPL    10149    11685    16157

APL    3349    4673    7294

AAY    7852    9006    12615

TPDS (BPL, APL & AAY)    21350    25364    36066

MDM    1284    1343    2135

During the current year an amount as Rs. 52145.44 crore has been allocated for food subsidy in the budget (BE).

(c): No, Madam. The Department allocates foodgrains to States/UTs @ 35 kg/family/month for 6.52 crore BPL (including AAY) families and State Governments take up the distribution of foodgrains, to the eligible families.

(d): Government has taken following steps to improve functioning of TPDS and also to ensure that entitled quantities of foodgrains of proper qualities get distributed to the eligible families:-

A. to strengthen monitoring and vigilance by:-

(i) implementation of the Nine Point Action Plan;

(ii) taking action against those with Bogus Ration Cards; and

(iii) ensuring greater involvement of Panchayati Raj Institutions (PRIs)/Urban Local Bodies in functioning of FPS.

B. to ensure increased transparency in functioning of TPDS by:

(i) adoption and implementation of revised Model Citizen's Charter;

(ii) introduction of monthly certification of delivery of foodgrains at Fair Price Shops (FPS) and their distribution to ration cards holders;

(iii) taking up publicity-cum-awareness Campaign on TPDS; and

C. to use ICT tools such as:

(i) computerization of TPDS operations;

(ii) pilot scheme on Smart Card based operations in Haryana and Chandigarh;

(iii) piloting of new technologies for tracking movement of vehicles transporting TPDS commodities.

D. to improve efficiency of FPS operations through;

(i) doorstep delivery of foodgrains;

(ii) ensuring timely availability of foodgrains;

(iii) distribution of wheat flour/fortified wheat flour under TPDS;

(iv) allotment of FPS to institutions and groups;

(v) sale of non-TPDS items by FPSs; and

(vi) revision of commission to FPS licensees.